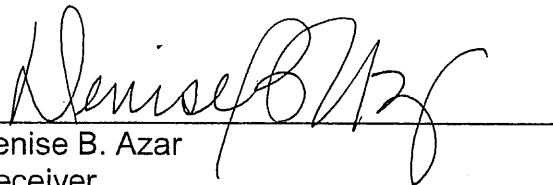


NOTICE OF STAY/ABATEMENT OF LEGAL PROCEEDINGS

The court order provides that all persons are restrained and enjoined from commencing or further prosecuting any action in law or equity or administrative proceedings where Pinnacle is a party or is obligated to defend a party, except in this court; obtaining any preference, judgment, attachment, or other liens against any of the property, personal or real, of Pinnacle; commencing or continuing any action in the nature of an attachment, garnishment, or execution against any of the property, personal or real, of Pinnacle, making any levy, garnishment or execution against any of the property, personal or real, of Pinnacle or its subsidiaries or their assets or any part thereof except in this Court.

A handwritten signature in black ink, appearing to read "Denise B. Azar", is written over a horizontal line.

Denise B. Azar
Receiver

IMPORTANT NOTICE- PLEASE READ CAREFULLY

STATE OF ALABAMA)	
)	
COUNTY OF MONTGOMERY)	Montgomery County Circuit Court
)	CV-2004-0278-EWR
IN RE:)	
)	
Liquidation of Pinnacle Casualty)	<u>NOTICE TO POLICYHOLDERS</u>
Assurance Corporation ("Pinnacle"))	<u>AND CREDITORS</u>
)	
)	

On November 14, 2006, the Montgomery County Circuit Court located in Montgomery, Alabama granted the Receiver's petition to liquidate Pinnacle Casualty Assurance Corporation. Denise B. Azar, Receiver of the Receivership Division, Alabama Department of Insurance, has been directed by the court to take possession of Pinnacle property and to liquidate its business.

This notice serves to inform you of certain responsibilities as it relates to your status as policyholder, provider or creditor. Please carefully observe the following and retain this notice for your records:

DEADLINE AND INSTRUCTION FOR FILING PROOF OF CLAIM

Alabama Code Section 27-32-26 and the Court's Liquidation Order fix the right and liabilities of Pinnacle and of its creditors, enrollees, stockholders and all other persons interested in its estate as of the date of the Liquidation Order, November 14, 2006. Various executory contracts, including all state agents, general agents, brokers, agents, goods and services and suppliers' contracts were canceled unless specifically adopted by the Receiver, with the remedy of filing a Proof of Claim reserved unto parties providing real damages as general creditors.

WHERE TO FILE PROOF OF CLAIM:

To avoid confusion, all claims should be mailed to:

Denise B. Azar, Receiver
Pinnacle Casualty Assurance Corporation
Post Office Box 303353
Montgomery, Alabama 36103-3353
Telephone: (334) 240-7560

**ALL CLAIMS OR POTENTIAL CLAIMS MUST BE POSTMARKED NO LATER
THAN MAY 1, 2007.**



For Official Use Only:

Claim No: _____

STATE OF ALABAMA DEPARTMENT OF INSURANCE

PINNACLE CASUALTY ASSURANCE CORPORATION
IN LIQUIDATION

CIRCUIT COURT OF MONTGOMERY CO

PROOF OF CLAIM FORM

This Proof of Claim must be completed, signed under oath, and sent by first class mail to **Denise B. Azar, Receiver, Pinnacle Casualty Assurance Corporation., Post Office Box 303353, Montgomery, AL 36130-3353, Attn: Proof of Claim.** This Proof of Claim should be sent as soon as possible, but **MUST BE FILED NO LATER THAN MAY 1, 2007, OR THE CLAIM MAY BE DENIED.**

PLEASE READ THE ACCOMPANYING NOTICE AND INSTRUCTIONS BEFORE COMPLETING THIS FORM. Mark "NA" or "Not Applicable", where appropriate. PLEASE TYPE OR PRINT. A SEPARATE PROOF OF CLAIM SHOULD BE COMPLETED AND FILED FOR EACH CLAIM.

You are making this claim as (mark one):

Individual ☐ Corporation ☐ Partnership ☐ Agent ☐ Other ☐

Please explain if other _____

Please set forth the name, address and phone number of the claimant:

Name _____

Street Address _____

City _____ State _____ Zip _____ Phone _____

This claim is filed as a (n) unsecured ☐ secured ☐ claim. (Mark one.)

Total Amount Claimed \$ _____ Date claim was incurred _____

Explanation of Claim.

Please attach documentation to support claim amount. Attach additional sheets if necessary.

The consideration for this debt (or ground of liability) is as follows:

If this claim is founded on a written instrument, please attach a copy of such written instrument or if it cannot be attached please set for the reason therefore.

If you have received compensation for your claim, please state the amount of the payment received and the identity of the payer

OVER (COMPLETE OTHER SIDE)

State whether this claim is subject to any set off, counterclaim or defense:

Please set forth the identity of amount of security for the claim, if any (evidence of the security interest and its perfection should be attached):

Please set forth any right of priority of payment, or other specific right, you believe you may have:

If you have been sued or have instituted suit in connection with the claim, indicate the court, term, case number, date filed, whether judgment has been entered, and the date of judgment, if any:

If an attorney represents you in this claim, please give the following information:

Attorney's name _____ Law Firm _____

Address _____

City _____ State _____ Zip _____ Phone _____

The undersigned subscribes and affirms under penalties of perjury that the facts stated in this Proof of Claim to be filed in the liquidation proceeding of Pinnacle Casualty Assurance Corporation, are true; that no payment of or on account of the aforesaid claim has been made except as above stated; that claimant has no knowledge of anyone else filing a claim on behalf of claimant; that there are no offsets, counterclaims or defense thereto except as above stated; and that claimant is not a secured creditor or claimant has no security interest, except as above stated.

To the extent that this claim arises from a cause of action the undersigned has against an insured of Pinnacle Casualty Assurance Corporation; the undersigned acknowledges and agrees, by signing below, that the filing of this claim releases the insured's liability to the undersigned on that cause of action in the amount of the insured's applicable policy limit.

Claimant's Signature _____ Title, if applicable _____

Print Name _____

Telephone No. _____ Social Security or Tax ID# _____

Subscribed and sworn to before me, a Notary Public this _____ day of _____, 20_____.

Signature of Notary Public

Printed Name of Notary Public

I am a resident of _____ County, _____ (State).

My commission expires _____.

DEADLINE FOR FILING CLAIMS IS MAY 1, 2007.